



HOUSE OF REPRESENTATIVES  
WASHINGTON, D.C. 20515

MARY JO KILROY  
15TH DISTRICT, OHIO

May 14, 2009

The Honorable Steven Rattner  
Counselor to the Secretary of the Treasury  
United States Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Mr. Rattner:

I am writing to call for a one month moratorium on the rapid forced closure of thousands of Chrysler and General Motors dealerships as demanded by the Presidential Task Force on the Auto Industry. There is no good reason to cut good paying jobs and reduce competition that benefits consumers during these difficult economic times.

Closed door, back room decisions to shut down dealerships are not based on any credible evidence. In fact, dealerships equal revenue to manufacturers, not costs. Instead, this decision is fiscally irresponsible and will take jobs and tax revenue away from our state and our communities.

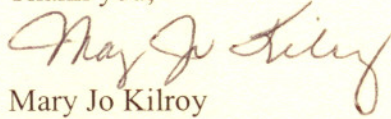
Ohio dealers maintain a multi-billion dollar retail industry and provide thousands of well-paying jobs in Ohio. In 2007, there were 40,937 new-vehicle dealership employees in Ohio. New-vehicle dealerships accounted for 12.9% of the total state retail payroll. They generate hundreds of millions of dollars of tax revenue for state and local government through sales tax revenue, corporate tax revenue, and payroll tax revenue.

Furthermore, GM and Chrysler executives have stated many times that every time a dealership closes, the immediate result is the loss of market share. The recovery of that market share, if it occurs at all, will not materialize for at least 18 months. The rapid shut-down of dealerships will erode brand equity and further weaken consumer confidence.

The closures will also mean an immediate loss of competition and convenience for consumers. America's economy is a free market economy and market forces should be allowed to dictate which dealerships remain open and closed. Instead, not only are the employees of the dealerships going to suffer, but so are consumers. There are no winners in this plan, only losers.

I understand that the job of the Presidential Task Force on the Auto Industry is a large and difficult one. However, I must say that the path the Task Force has chosen to follow is dangerous and I fear it will leave the economy and consumers worse-off; the results of that could be devastating to our communities. I urge you to put a one-month moratorium on the closures, recheck your facts, consider all the effects that this plan would have on our local communities and ultimately reverse this decision.

Thank you,

A handwritten signature in cursive script, reading "Mary Jo Kilroy". The ink is dark and the signature is fluid, with a large loop at the end of the last name.

Mary Jo Kilroy  
Member of Congress